## Message Text

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PAGE 01 STATE 149435 ORIGIN EA-09

INFO OCT-01 ISO-00 L-03 EB-07 CIAE-00 INR-07 NSAE-00 COME-00 AGRE-00 TRSE-00 /027 R

DRAFTED BY EA/IMS:ARDORNHEIM:CCH APPROVED BY EA/IMS:EDWARD C. INGRAHAM

-----104800 280133Z /63

R 272155Z JUN 77 FM SECSTATE WASHDC TO AMEMBASSY JAKARTA

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E.O. 11652: N/A

TAGS: BPRO, ID

SUBJECT: OFF-JAVA SUGAR MILLS PROJECT

- 1. TWICE IN PAST WEEK EA/IMS HAS BEEN QUERIED ABOUT POSSIBLE USG INVOLVEMENT IN A SCHEME TO ESTABLISH FOUR OR SIX SUGAR ESTATES AND MILLS ON SUMATRA, SULAWESI AND TIMOR, OPERATED BY TRANSMIGRANT FAMILIES UNDER SUPERVISION OF MINISTRY OF MANPOWER, TRANSMIGRATION AND COOPERATIVES AND FINANCED OUTSIDE GOI BUDGET BY CITIBANK UNDER A "TRUSTEE FINANCING" ARRANGEMENT, UNDER WHICH CITIBANK WOULD BE REPAID FROM EXPORT PROCEEDS OF 35 PERCENT OF SUGAR PRODUCED. TWO INQUIRERS WERE ECONOMIC OFFICER AT INDONESIAN EMBASSY AND ONE T.R. RAY OF BATON ROUGE, A SUGAR MILL ENGINEER/ARCHITECT. RAY HAS PROVIDED COPIES OF LETTERS DESCRIBING PROJECT SENT HIM BY P.T. SEPUTIH MADU. THESE INCLUDE COPY OF ONE DATED MAY 26 AND SENT TO AMBASSADOR.
- 2. RAY IS INTERESTED IN REPLYING BUT WISHES TO KNOW LIMITED OFFICIAL USE

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MORE ABOUT FINANCING, AND PARTICULARLY IF USG WOULD BE INVOLVED. IN THIS CONNECTION, INDONESIAN EMBASSY OFFICER MENTIONED WORDS "CIVIC ACTION", WHICH IS CURIOUS, SINCE NOTHING MUCH HAS HAPPENED RECENTLY UNDER APRIL 14, 1967 US-GOI CIVIC ACTION AGREEMENT.

3. CAN EMBASSY ELUCIDATE? VANCE

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NNN

## Message Attributes

Automatic Decaptioning: X

Capture Date: 01-Jan-1994 12:00:00 am Channel Indicators: n/a **Current Classification: UNCLASSIFIED** 

Concepts: n/a

Control Number: n/a Copy: SINGLE Sent Date: 27-Jun-1977 12:00:00 am Decaption Date: 01-Jan-1960 12:00:00 am

Decaption Note: Disposition Action: RELEASED Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW

Disposition Date: 22 May 2009 Disposition Event:

Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE149435
Document Source: Concept Co

Document Unique ID: 00 **Drafter:** ARDORNHEIM:CCH

Enclosure: n/a Executive Order: N/A Errors: N/A

**Expiration:** Film Number: D770229-1007 Format: TEL

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ISecure: 1

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Litigation History:
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Message ID: c6bf7e76-c288-dd11-92da-001cc4696bcc Office: ORIGIN EA

Original Classification: LIMITED OFFICIAL USE Original Handling Restrictions: n/a Original Previous Classification: n/a Original Previous Handling Restrictions: n/a

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Reference: n/a Retention: 0

Review Action: RELEASED, APPROVED Review Content Flags: Review Date: 11-Feb-2005 12:00:00 am

Review Event: Review Exemptions: n/a **Review Media Identifier:** Review Release Date: n/a

Review Release Event: n/a **Review Transfer Date:** Review Withdrawn Fields: n/a

SAS ID: 2025981 Secure: OPEN Status: NATIVE

Subject: OFF-JAVA SUGAR MILLS PROJECT

TAGS: BPRO, ID To: JAKARTA Type: TE

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Review Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009

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